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Counsel for Emergent Fidelity Technologies Ltd

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

BLOCKFI INC., *et al.*,

Debtors.¹

Chapter 11

Jointly Administered

Case No. 22-19361 (MBK)

**APPLICATION IN LIEU OF MOTION IN SUPPORT OF ENTRY OF AN
ORDER APPROVING THE STIPULATION LIFTING THE AUTOMATIC STAY**

TO: HONORABLE MICHAEL B. KAPLAN
Chief United States Bankruptcy Judge

Emergent Fidelity Technologies Ltd (“Emergent”), by and through its undersigned counsel, hereby submits this application in lieu of motion (the “Application”), pursuant to the Bankruptcy Code, the Court’s inherent powers, and D.N.J. LBR 9021-1(b), in support of entry of an order (the “Order”) approving *the Stipulation Lifting the Automatic Stay* (the “Stipulation”) attached hereto as Exhibit 1, and respectfully state as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors’ service address is 100 Horizon Center Blvd., 1st and 2nd Floors, Hamilton, NJ 08691.

BACKGROUND

1. Emergent is a chapter 11 debtor² in the District of Delaware, whose case is jointly administered in part with the chapter 11 cases of FTX Trading Ltd. and its affiliated debtors (“FTX”), *In re FTX Trading, Ltd., et. al*, Case No. 22-11068 (JTD).

2. On November 28, 2022, certain of the Debtors filed a complaint against Emergent and Marex Capital Markets Inc., Adversary Proceeding No. 22-01382 (MBK), pending in this Court.

3. On April 17, 2023 and April 21, 2023, this Court and the Delaware Bankruptcy Court, respectively, approved³ a stipulation (the “Litigation Stay Stipulation”) by and among Emergent, FTX, and the Debtors, by which, among other things, the Debtors agreed to stipulate to relief from the automatic stay in these chapter 11 cases for the limited purpose of permitting Emergent to file and serve a complaint commencing an adversary proceeding against the Debtors in the Delaware Bankruptcy Court related to the Robinhood Assets⁴ (the “Emergent Adversary Proceeding”).

RELIEF REQUESTED

4. Consistent with the Litigation Stay Stipulation approved previously by this Court, Emergent requests that it be granted relief from the automatic stay in these chapter 11 cases for the limited purpose of permitting Emergent to file and serve a complaint commencing the Emergent Adversary Proceeding against the Debtors in the Delaware Bankruptcy Court, as set forth in the Stipulation.

² Case No. 23-10149 (Bankr. D. Del.).

³ *In re FTX Trading Ltd.*, Case No. 22-11068-JTD, D.I. 1297 (Bankr. D. Del. Apr. 17, 2023); *In re BlockFi Inc.*, Case No. 22-19361-MBK, D.I. 760 (Bankr. D.N.J. Apr. 21, 2023).

⁴ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Litigation Stay Stipulation.

5. The Debtors and their Official Committee of Unsecured Creditors do not object to the entry of this Order.

6. For these reasons, Emergent respectfully requests that the Court approve the attached Stipulation and adopt the Stipulation as an Order of this Court for all proper purposes.

7. This Application is submitted pursuant to D.N.J. LBR 9021-1(b) in lieu of a motion.

Dated: October 25, 2023

Respectfully submitted,

By: John C. Goodchild, III
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